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EXAMINER

FISCHER, ANDREW J

ART UNIT PAPER NUMBER

3627

DATE MAILED: 05/04/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

10/084,494

Applicant(s)

PIERCY ET AL.

Examiner

Andrew J. Fischer

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-29 is/are pending in the application.
- 4a) Of the above claim(s) 12-20 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-11 and 21-29 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |   |  |
|---|--|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. ____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                  | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)            |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date ____ | 6) <input type="checkbox"/> Other: ____  |

## **DETAILED ACTION**

### ***Acknowledgements***

1. Claims 1-29 are pending in this application.
2. All references in this Office Action to the capitalized versions of “Applicants” refers specifically the Applicants of record. References to lower case versions of “applicant” or “applicants” refers to any or all patent “applicants.” Unless expressly noted otherwise , references to “Examiner” in this Office Action refers to the Examiner of record while reference to or use of the lower case version of “examiner” or “examiners” refers to examiner(s) generally.
3. This Office Action is written in OACS. Because of this, the Examiner is unable to control formatting, paragraph numbering, font, spelling, line spacing, and/or other word processing issues. The Examiner sincerely apologies for these errors.
4. This application in an image file wrapper (“IFW”) application. Applicants’ response is therefore going to be separated before being placed into the IFW system (*i.e.* claims, remarks, drawings, etc. are separated and independently scanned). To ensure proper handling by he Examiner and the USPTO, the Examiner highly recommends Applicants place the application serial no (*e.g.* 06/123,456) in a header or footer (or other appropriate area) of *each* page submitted. At the very least, the Examiner highly recommends this practice for all pages listing the claims.

***Restriction***

5. Restriction to one of the following inventions is usually required under 35 U.S.C. §121:

- I. Claims 1-11, drawn to a method for generating a net delta change, classified in class 705, subclass 28.
- II. Claims 12-20, drawn to a system for supply line management, classified in class 700, subclass 216.
- III. Claims 21-29, drawn to a medium, classified in class 705, subclass 28.

The inventions are distinct, each from the other because of the following reasons:

6. Inventions I and II are related as process and apparatus for its practice. The inventions are distinct if it can be shown that either: (1) the process as claimed can be practiced by another materially different apparatus or by hand, or (2) the apparatus as claimed can be used to practice another and materially different process. (MPEP § 806.05(e)). In this case, the apparatus as claimed can be used to practice another and materially different process—one that does not include determining an appropriate calculation window.

7. Because these inventions are distinct for the reasons given above, because these inventions have acquired a separate status in the art as shown by their different classification and divergent subject matter, and because the search required for Group I is not required for Group II, restriction for examination purposes as indicated is proper.

8. Inventions I and III are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct from each other if they are shown to be separately usable. In the instant case, invention III does not have separate utility because Inventions I and III are not patentably distinct. Because Inventions I and III are not patentably

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distinct (and Invention III is not patentably distinct from Invention I), a restriction between Inventions I and III is improper at this time. Therefore if Invention I is elected, Invention III will also be examined. Should Applicants however amend any claim or add claim(s) such that this application would then contain claims which make Invention I patentably distinct from Invention III, the restriction between Inventions I and III will be reevaluated and may be made at that time. See MPEP §811.03.

9. During a telephone conversation with Mark Kendrick on or about April 19, 2005 a provisional election was made without traverse to prosecute the invention of Invention, claims 1-

11. Affirmation of this election must be made by applicant in replying to this Office Action.

Additionally, because Invention I is not patentably distinct from Invention III and because Applicants have elected Invention I, Invention III will also be examined at this time.

10. Claims 12-15 are withdrawn from further consideration by the Examiner, 37 C.F.R. §1.142(b), as being drawn to a non-elected invention.

11. Applicants are reminded that upon the cancellation of claims to a non-elected invention, the inventorship must be amended in compliance with 37 C.F.R. §1.48(b) if one or more of the currently named inventors is no longer an inventor of at least one claim remaining in the application. Any amendment of inventorship must be accompanied by a request under 37 C.F.R. §1.48(b) and by the fee required under 37 C.F.R. §1.17(i).

### ***Claim Rejections - 35 USC §101***

12. 35 U.S.C. §101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

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13. Claims 1-29 are rejected under 35 U.S.C. §101 because the claimed invention is directed to non-statutory subject matter. The basis of this rejection is set forth in a two-prong test:

- (1) The invention must be within the technological arts; and
- (2) The invention must produce a useful, concrete, and tangible result.

14. Prong (1) requires the claimed invention to be within the technological arts. See *In re Musgrave*, 431 F.2d 882, 167 USPQ 280, 289-90 (C.C.P.A. 1970); and *In re Johnston*, 502 F.2d 765, 183 USPQ 172, 177 (C.C.P.A. 1974). Mere abstract ideas (*i.e.*, laws of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the “progress of science and the useful arts”<sup>1</sup> and are therefore non-statutory subject matter.<sup>2</sup>

15. The claim must somehow apply, involve, use, or advance the technological arts. Mere intended or nominal use of a component—albeit within the technological arts—does not confer statutory subject matter to an otherwise abstract idea if the component does not apply, involve, use, or advance the underlying process. In other words, if the invention in the body of the claim is not tied to a technological art, environment, or machine, the claim is non-statutory. *Ex parte Bowman*, 61 USPQ2d 1665, 1671 (B.P.A.I. 2001) (Unpublished). See also MPEP §2106 IV B. 2 (b) ii).

16. For Invention I, the Examiner suggests (by way of example only) inserting something to the effect of ‘using a computer, generating a net delta change recommendation . . .’ if Applicants’ specification supports such an amendment.

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<sup>1</sup> It is the Examiner’s position that “technological arts” is synonymous with “useful arts” as stated in the U.S. Constitution, Art. I, §8. See *In re Waldbaum*, 457 F.2d 997, 173 USPQ 430, 434 (C.C.P.A. 1972).

<sup>2</sup> *E.g.*, the physical sciences are statutory; *c.f.*, social sciences which are non-statutory

***Claim Rejections - 35 USC §112 2<sup>nd</sup> Paragraph***

17. The following is a quotation of the 2<sup>nd</sup> paragraph of 35 U.S.C. §112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

18. Claims 1-11 are rejected under 35 U.S.C. §112, 2<sup>nd</sup> paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The claims are replete with errors. Some examples follow.

a. In the context of at least claims 1, 3, and 21, the phrase “a net delta change” is indefinite. First, the Examiner agrees that the Greek letter delta (*i.e.* upper case ‘Δ’ or lower case ‘δ’) is old and well known in the art of inventory management.<sup>3</sup> The Examiner however has reviewed the specification it is the Examiner’s position that Applicants have not lexicographically redefined the term “net delta change.” See the discussion on lexicography, *infra*. However if it is Applicants’ position that “net delta change” is old and well known in the art, Applicants’ should make such an express statement on the record and provide appropriate evidence in support thereof (*e.g.* a U.S. patent). Upon a successfully showing that “net delta change” is old and well known in the art, this particular 35 U.S.C. §112, 2<sup>nd</sup> paragraph rejection will be withdrawn.

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<sup>3</sup> See at least Appendix A-1, Greene, James H, Editor-in-Chief, Production and Inventory Control Handbook, 3<sup>rd</sup> Ed., McGraw-Hill Companies, Inc., 1997.

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b. The expression “at least some of” (as recited in *e.g.* claim 5) is indefinite because it is unclear if each element is need for anticipation/infringement in the list (conjunctive), or alternatively, if only one element is needed for anticipation/infringement of the list (disjunctive). The Examiner highly recommends Applicants review all ‘lists’ of elements (*i.e.* phrases that include “at least some of,” “at least one of,” or other similar language) in the examined claims and clearly indicate in their remarks whether they intend the lists to be conjunctive or disjunctive. The claims are replete with this issue.

c. The scope of claims 1-29 is indefinite. For example, a computer printout reads on the claims. The claims are therefore do not produce a useful, concrete, and tangible result. Because the claims are not within the one of the four statutory classes,<sup>4</sup> the scope of the claims can not be determined. If Applicants overcome the §101 rejections above, this particular 35 U.S.C. §112, 2<sup>nd</sup> paragraph may be withdrawn.

### ***Claim Rejections - 35 USC §102***

19. The following is a quotation of the appropriate paragraphs of 35 U.S.C. §102 that form the basis for the rejections under this section made in this Office Action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States. . . .

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<sup>4</sup> 35 U.S.C. §101 defines four (4) categories of inventions that Congress deemed to be the appropriate subject matter of a patent; namely, processes, machines, manufactures and compositions of matter. The latter three categories define “things” (or products) while the first category defines “actions” (*i.e.*, inventions that consist of a series of steps or acts to be performed).



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(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

20. Claims 1-11, as understood by the Examiner, are rejected under 35 U.S.C. §102(b) as being anticipated by Kagami et. al. (U.S. 5,237,496) ("Kagami"). Kagami discloses the claimed invention including in inventory projection (the projected inventory); a net delta change (inherent since Kagami discloses the difference between a high and low acceptable inventory range and current projected inventory range); and determining an appropriate calculation window (inherent in any time window).

#### *Claim Rejections - 35 USC §103*

21. The following is a quotation of 35 U.S.C. §103(a) which forms the basis for all obviousness rejections set forth in this Office Action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

22. Claims 1-11 are alternatively rejected under 35 U.S.C. §103(a) as being unpatentable over Kagami.<sup>5</sup> It is the Examiner's principle position that the claims are anticipated because a net delta change is inherent in the disclosed calculations.

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<sup>5</sup> See MPEP §2112 expressly authorizing alternative §102/§103 rejections when the question of inherency is present in the anticipation rejection.

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However if not inherent, it would have been obvious to a person having ordinary skill in the art at the time the invention was made to modify Kagami to include the claimed a net delta change. Such a modification would have helped maintain a proper inventory level.

23. Claims 21-29 are rejected under 35 U.S.C. §103(a) as being unpatentable over Kagami. As noted above, it is the Examiner's position that Inventions I and II are not patentably distinct. Therefore as a matter of law, the allowability of claims 21-29 (as currently claimed) for prior art purposes stands or falls with the allowability of the claims 1-11.

24. After careful review of the specification and prosecution history, the Examiner is unaware of any desire—either expressly or implicitly—by Applicants to be their own lexicographer and to define a claim term to have a meaning other than its ordinary and accustomed meaning. Therefore, the Examiner starts with the heavy presumption that all claim limitations are given their ordinary and accustomed meaning. See *Bell Atlantic Network Services Inc. v. Covad Communications Group Inc.*, 262 F.3d 1258, 1268, 59 USPQ2d 1865, 1870 (Fed. Cir. 2001) (“[T]here is a heavy presumption in favor of the ordinary meaning of claim language as understood by one of ordinary skill in the art.”); *CCS Fitness Inc. v. Brunswick Corp.*, 288 F.3d 1359, 1366, 62 USPQ2d 1658, 1662 (Fed. Cir. 2002) (There is a “heavy presumption that a claim term carries its ordinary and customary meaning.”). See also MPEP §2111.01 and *In re Zletz*, 893 F.2d 319, 321, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989).<sup>6</sup>

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<sup>6</sup> It is the Examiner's position that “plain meaning” and “ordinary and accustomed meaning” are synonymous. See e.g. *Rexnord Corp. v. Laitram Corp.*, 274 F.3d 1336, 1342, 60 USPQ2d 1851, 1854 (Fed. Cir. 2001) (“[A]ll terms in a patent claim are to be given their plain, ordinary and accustomed meaning . . .”).

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In accordance with the ordinary and accustomed meaning presumption, during examination the claims are interpreted with their “broadest reasonable interpretation . . . .” *In re Morris*, 127 F.3d 1048, 1054, 44 USPQ2d 1023, 1027 (Fed. Cir. 1997). See also MPEP §2111.

However, if Applicants disagree with the Examiner and have either (a) already used lexicography or (b) wish to use lexicography and therefore (under either (a) or (b)) desire a claim limitation to have a meaning other than its ordinary and accustomed meaning, the Examiner respectfully requests Applicants in their next response to expressly indicate<sup>7</sup> the claim limitation at issue and to show where in the specification or prosecution history the limitation is defined. Such definitions must be clearly stated in the specification or file history. *Bell Atlantic*, 262 F.3d at 1268, 59 USPQ2d at 1870, (“[I]n redefining the meaning of particular claim terms away from the ordinary meaning, the intrinsic evidence must ‘clearly set forth’ or ‘clearly redefine’ a claim term so as to put one reasonably skilled in the art on notice that the patentee intended to so redefine the claim term”).<sup>8</sup> The Examiner cautions that no new matter is allowed.

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<sup>7</sup> “Absent an *express intent* to impart a novel meaning, terms in a claim are to be given their ordinary and accustomed meaning. [Emphasis added.]” *Wenger Manufacturing Inc. v. Coating Mach. Sys., Inc.*, 239 F.3d 1225, 1232, 57 USPQ2d 1679, 1684 (Fed. Cir. 2001) (citations and quotations omitted). “In the absence of an *express intent* to impart a novel meaning to claim terms, an inventor’s claim terms take on their ordinary meaning. We indulge a heavy presumption that a claim term carries its ordinary and customary meaning. [Emphasis added.]” *Teleflex Inc. v. Ficosa North America Corp.*, 299 F.3d 1313, 1325, 63 USPQ2d 1374, 1380 (Fed. Cir. 2002) (citations and quotations omitted).

<sup>8</sup> See also *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582, 39 USPQ2d 1573, 1576 (Fed. Cir. 1996), (“[A] patentee may choose to be his own lexicographer and use terms in a manner other than their ordinary meaning, *as long as* the special definition of the term is *clearly stated* in the patent specification or file history. [Emphasis added.]”); *MultiForm Desiccants Inc. v. Medzam Ltd.*, 133 F.3d 1473, 1477, 45 USPQ2d 1429, 1432 (Fed. Cir. 1998) (“Such special meaning, however, must be sufficiently clear in the specification that any departure from common usage would be so understood by a person of experience in the field of the invention.”).

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Applicants are reminded that failure by Applicants in their next response to properly traverse this issue in accordance with 37 C.F.R. §1.111(b) or to be non-responsive to this issue entirely will be considered a desire by Applicants to forgo lexicography in this application and to continue having the claims interpreted with their broadest reasonable interpretation.<sup>9</sup>

Additionally, it is the Examiner's position that the above requirements are reasonable.<sup>10</sup> Unless expressly noted otherwise by the Examiner, the preceding discussion on claim interpretation principles applies to all examined claims currently pending.

25. To the extent that the Examiner's interpretations are in dispute with Applicants' interpretations, the Examiner hereby adopts the following definitions—under the broadest reasonable interpretation standard—in all his claim interpretations.<sup>11</sup> Moreover, while the following list is provided in accordance with *In re Morris*, the definitions are a guide to claim

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See also MPEP §2111.01, subsection titled "Applicant May Be Own Lexicographer" and MPEP §2173.05(a) titled "New Terminology."

<sup>9</sup> See 37 C.F.R. §1.104(c)(3) which states in part: "the examiner may rely upon admissions by applicant . . . as to *any matter* affecting patentability . . . . [Emphasis added.]"

<sup>10</sup> The Examiner's requirements on this matter are reasonable on at least two separate and independent grounds. First, the Examiner's requirements are simply an express request for clarification of how Applicants intend their claims to be interpreted so that lexicography (or even an *attempt* at lexicography) by Applicants is not inadvertently overlooked by the Examiner. Second, the requirements are reasonable in view of the USPTO's goals of compact prosecution, productivity with particular emphasis on reductions in both pendency and cycle time, and other goals as outlined in the USPTO's The 21<sup>st</sup> Century Strategic Plan, February 3, 2003 available at [www.uspto.gov/web/offices/com/strat21/index.htm](http://www.uspto.gov/web/offices/com/strat21/index.htm) (last accessed May 1, 2005)

<sup>11</sup> While most definitions are cited because these terms are found in the claims, the Examiner may have provided additional definition(s) to help interpret words, phrases, or concepts found in the definitions themselves or in the prior art.

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terminology since claim terms must be interpreted in context of the surrounding claim language.<sup>12</sup> Finally, the following list is not intended to be exhaustive in any way:

**Server:** “2. On the Internet or other network, a computer or program that responds to commands from a client.” Computer Dictionary, 3rd Edition, Microsoft Press, Redmond, WA, 1997.<sup>13</sup> **Client:** “3. On a local area network or Internet, a computer that accesses shared network resources provided by another computer (called a server).” *Id.* **Computer:** “Any machine that does three things: accepts structured input, processes it according to prescribed rules, and produces the results as output.” *Id.*

**For “1 a — used as a function word to indicate purpose <a grant ~ studying medicine>”** Merriam-Webster’s Collegiate Dictionary, 10<sup>th</sup> Edition, Merriam-Webster Inc., Springfield, M.A., 1997.

26. In light of the Examiner’s use of the Collegiate Dictionary noted above, and because applicants frequently misunderstand the historical order of definitions and their corresponding senses, the following excerpts from the “Explanatory Notes” in the Collegiate Dictionary are provided:

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<sup>12</sup> See e.g. *Brookhill-Wilk 1 LLC v. Intuitive Surgical Inc.*, 334 F.3d 1294, 1300, 67 USPQ2d 1132, 1137 (Fed. Cir. 2003) (abstract dictionary definitions are not alone determinative; “resort must always be made to the surrounding text of the claims in question”).

<sup>13</sup> Based upon Applicants’ disclosure, the art of record, and the knowledge of one of ordinary skill in this art as determined by the factors discussed in MPEP §2141.03 (where practical), the Examiner finds that the *Microsoft Press Computer Dictionary* is an appropriate technical dictionary known to be used by one of ordinary skill in this art. See e.g. *Altiris Inc. v. Symantec Corp.*, 318 F.3d 1363, 1373, 65 USPQ2d 1865, 1872 (Fed. Cir. 2003) where the Federal Circuit used the *Microsoft Press Computer Dictionary* (3d ed.) as “a technical dictionary” to define the term “flag.” See also *In re Barr*, 444 F.2d 588, 170 USPQ 330 (CCPA 1971)(noting that its appropriate to use technical dictionaries in order to ascertain the meaning of a term of art) and MPEP §2173.05(a) titled ‘New Terminology.’

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## Definitions

### Division of Senses

A boldface colon is used in this dictionary to introduce a definition. . . . It is also used to separate two or more definitions of a single sense. . . . Boldface Arabic numerals separate senses of a word that has more than one sense. . . . Boldface lowercase letters separate the subsenses of a word. . . . Lightface numerals in parentheses indicate a further division of senses. . . .

### Order of Senses

The order of senses within an entry is historical: the sense known to have been first used in English is entered first. This is not to be taken to mean, however, that each sense of a multisense word developed from the immediately preceding sense. It is altogether possible that sense 1 of a word has given rise to sense 2 and sense 2 to sense 3, but frequently sense 2 and sense 3 may have risen independently of one another from sense 1.

When a number sense is further subdivided into lettered subsenses, the include of particular subsenses with a sense is based upon their semantic relationship to one another, but their order is likewise historical: subsense 1a is earlier than subsense 1b, 1b is earlier than 1c, and so forth. Divisions of subsenses indicated by lightface numerals in parentheses are also in historical order with respect to one another. Subsenses may be out of historical order, however, with respect to the broader numbered senses. Collegiate Dictionary, pp 19a-20a.

27. With respect to claims 1-11, functional recitation(s) using the word “for” or other functional terms (e.g. “for supply line management” as recited in claim 1) have been considered but given less patentable weight<sup>14</sup> because they fail to add any steps and are thereby regarded as intended use language. A recitation of the intended use of the claimed invention must result in additional steps. See *Bristol-Myers Squibb Co. v. Ben Venue Laboratories, Inc.*, 246 F.3d 1368, 1375-76, 58 USPQ2d 1508, 1513 (Fed. Cir. 2001) (Where the language in a method claim states

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<sup>14</sup> See e.g. *In re Gulack*, 703 F.2d 1381, 217 USPQ 401, 404 (Fed. Cir. 1983)(stating that although all limitations must be considered, not all limitations are entitled to patentable weight).

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only a purpose and intended result, the expression does not result in a manipulative difference in the steps of the claim.).

28. Additionally, the Examiner notes that “the PTO and the CCPA acknowledged product-by-process claims as an exception to the general rule requiring claims to define products in terms of structural characteristics.” *Atlantic Thermoplastics Co. v. Faytex Corp.*, 970 F.2d 834, 845, 23 USPQ2d 1481, 1490 (Fed. Cir. 1992) (hereinafter “*Atlantic Thermoplastics v. Faytex I*”). Furthermore, the Federal Circuit “acknowledges that it has in effect recognized . . . product-by-process claims as exceptional.” *Atlantic Thermoplastics v. Faytex I*, 970 F.2d at 847, 23 USPQ2d at 1491.

Because of this exceptional status, the Examiner has carefully reviewed the claims and it is the Examiner’s position that claims 1-11 and 21-29 *do not* contain any product-by-process limitations whether in a conventional format or otherwise. If Applicants disagree with the Examiner, the Examiner respectfully requests Applicants in their next response to expressly point out any product-by-process claim(s) and their limitations so that they may be afforded their exceptional status and treated accordingly. Applicants are reminded that “even though product-by-process claims are limited by and defined by the process, determination of patentability is based on the product itself.” *In re Thorpe*, 777 F.2d 695, 697, 227 USPQ 964, 966 (Fed. Cir. 1985) (citations omitted).<sup>15</sup> Failure by Applicants in their next response to also address this issue in accordance with 37 C.F.R. §1.111(b) or to be non-responsive to this issue entirely will be considered intent by Applicants *not* to recite any product-by-process limitations.

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<sup>15</sup> See also MPEP §2113.

### ***Conclusion***

29. References considered pertinent to Applicants' disclosure are listed on form PTO-892. Unless expressly noted otherwise by the Examiner, all references listed on form PTO-892 are cited in their entirety.

30. The following two (2) citations to the Manual of Patent Examining Procedure ("MPEP") apply to this Office Action: MPEP citations to Chapters 100, 200, 500, 600, 700, 1000, 1100, 1300, 1400, 1500, 1700, 1800, 2000, 2100, 2200, 2500, 2600, and 2700 are from the MPEP 8<sup>th</sup> Edition, Rev. 2, May 2004. All remaining MPEP citations are from MPEP 8<sup>th</sup> Edition, August 2001.

31. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

32. In accordance with *In re Lee*, 277 F.3d 1338, 1344-45, 61 USPQ2d 1430, 1434-35 (Fed. Cir. 2002), the Examiner finds that the references How Computers Work both the Millennium Edition and 6<sup>th</sup> Edition by Ron White; How Networks Work, Millennium Edition by Frank J. Derfler et. al.; and How the Internet Works, both the Millennium Edition and 6<sup>th</sup> Edition by Preston Gralla are additional evidence of what is basic knowledge or common sense to one of ordinary skill in this art. Each reference is cited in its entirety. Moreover, because these five



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references are directed towards beginners (see *e.g.* “User Level Beginning . . .”), because of the references’ basic content (which is self-evident upon review of the references), and after further review of the entire application and all the art now of record in conjunction with the factors as discussed in MPEP §2141.03 (where practical), the Examiner finds that these five references are primarily directed towards those of low skill in this art. Because these references are directed towards those of low skill in this art, the Examiner finds that one of ordinary skill in this art must—at the very least—be aware of and understand the knowledge and information contained within these five references.

33. Also in accordance with *In re Lee*, 277 F.3d at 1344-45, 61 USPQ2d at 1434-35, the Examiner finds that the reference, Production and Inventory Control Handbook, 3<sup>rd</sup> Ed. with James H. Greene as Editor-in-Chief (“Greene”) is additional evidence of what is basic knowledge or common sense to one of ordinary skill in this art. First, the Examiner finds that Greene provides an introduction to the basics of production and inventory control. In other words, Greene covers production and inventory control in its broadest sense. The Examiner also finds that the reference is a introductory handbook which serves at least professionals, students, and persons designing control systems and is considered a resource for general managers, chief operating officers, sales managers, and general production managers. The reference is cited in its entirety. In particular, Greene is about planning, controlling, and managing production and inventories through systems and an organization; and applying principles, methods, and models, based on facts, knowledge, forecasts, and predictions to accomplish goals and objectives. Finally, the Examiner finds that Greene includes discussions which are broad enough to include both large and small businesses; covers the process industries as well as the assembly and

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fabrication industries; covers businesses that produce to order as well as those that ship 'off the shelf,' and concerns itself with distribution inventories as well as manufactured inventory, from the simple manufacturing processes to the very complex. Because of the factual findings noted in this paragraph and after further review of the entire record including the prior art now of record in conjunction with the factors as discussed in MPEP §2141.03 (where practical), the Examiner finds that Greene is primarily directed towards those of low skill in this art. Because Greene is directed towards those of low skill in this art, the Examiner finds that one of ordinary skill in this art must—at the very least—be aware of and understand the knowledge and information contained within Greene.

34. In accordance with the USPTO's goals of customer service, compact prosecution, and reduction of cycle time, the Examiner has made every effort to clarify his position regarding claim interpretation and any rejections or objections in this application. Furthermore, the Examiner has provided Applicants with notice—for due process purposes—of his position regarding his factual determinations and legal conclusions. If Applicants disagree with any factual determination or legal conclusion made by the Examiner in this Office Action whether expressly stated or implied,<sup>16</sup> the Examiner respectfully reminds Applicants to properly traverse the Examiner's position(s) in accordance with 37 C.F.R. §1.111(b) in their next response. By addressing these issues now, matters where the Examiner and Applicants agree can be eliminated allowing the Examiner and Applicants to focus on areas of disagreement (if any) with the goal towards allowance in the shortest possible time. If Applicants have any questions regarding the Examiner's positions or have other questions regarding this communication or even previous

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communications, Applicants are strongly encouraged to contact Examiner Andrew J. Fischer whose telephone number is (571) 272-6779 . If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's immediate supervisor, Robert Olszewski, can be reached at (571) 272-6788. To respond to this Office Action by facsimile, fax to (703) 872-9306.



Andrew J. Fischer  
Patent Examiner  
Art Unit 3627

AJF  
May 1, 2005

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<sup>16</sup> *E.g.*, if the Examiner rejected a claim under §103 with two references, although not directly stated, it is the Examiner's implied position that the references are analogous art.